#### BEFORE THE

# COMMISSION ON STATE MANDATES STATE OF CALIFORNIA

## PROPOSED AMENDMENTS TO THE PARAMETERS AND GUIDELINES:

Government Code Sections 3300 through 3311, as added and amended by Statutes 1976, Chapter 465; Statutes 1978, Chapters 775, 1173, 1174, and 1178; Statutes 1979, Chapter 405; Statutes 1980, Chapter 1367; Statutes 1982, Chapter 994; Statutes 1983, Chapter 964; Statutes 1989, Chapter 1165; and Statutes 1990, Chapter 675; and,

Filed on May 25, 2006 by California State Association of Counties, and,

Filed on June 15, 2006 by County of Los Angeles, to replace and supersede May 22, 2006 filing, and,

Filed on June 15, 2006 by County of San Bernardino; and,

Filed on June 29, 2006 by the Department of Finance, and,

Filed on June 29, 2006 by State Controller's Office to replace and supersede May 5, 2005 filing.

TO: League of California Cities
California State Association of Counties
Department of Personnel Administration
Department of Finance
State Controller's Office
State Personnel Board
Legislative Analyst

Interested Parties and Persons Legislative Committees

On April 26, 2006, the Commission on State Mandates directed staff to work with state agencies and interested parties to develop and recommend a reasonable reimbursement methodology pursuant to Government Code section 17518.5 for inclusion in the revised parameters and guidelines.

Case Nos.:05-PGA-18, 05-PGA-19, 05-PGA-20 05-PGA-21; and 05-PGA-22

(CSM-4499 and 05-RL-4499-01)

Peace Officers Procedural Bill of Rights (POBOR)

NOTICE OF SECOND PREHEARING CONFERENCE ON DEVELOPMENT OF REASONABLE REIMBURSEMENT METHODOLOGY AND PROPOSED PARAMETERS AND GUIDELINES AMENDMENTS

DATE: July 27, 2006 2:30 p.m. – 4:00 p.m. Commission on State Mandates 980 9<sup>th</sup> Street, Suite 300 Sacramento, California

Website: <a href="http://www.csm.ca.gov/pobor">http://www.csm.ca.gov/pobor</a>

On July 12, 2006, the County of Los Angeles requested a prehearing conference to review proposals and to confirm the timeline.

The second prehearing conference will be held on July 27, 2006, at 2:30 p.m. at the Commission's offices, 980 9<sup>th</sup> Street, Suite 300, Sacramento, California.

### The Proposals

The following five proposed amendments and timeline may be discussed at this prehearing conference and are available for review on the Commission's website at: <a href="http://www.csm.ca.gov/pobor">http://www.csm.ca.gov/pobor</a>.

- The California State Association of Counties (05-PGA-19) requests that the parameters and guidelines be amended to include a reasonable reimbursement methodology that would reimburse local agencies \$528/peace officer employed by the agency on January 1 of the claim year, with annual adjustments based on the Implicit Price Deflator.
- The **County of Los Angeles** (05-PGA-18) requests that the parameters and guidelines be amended to include a reasonable reimbursement methodology that would allow local agencies to be reimbursed based on *approximations of local costs mandated by the state*. This proposal is based on studies of claims data submitted to the Controller's Office for the 2001-2002 through 2004-05 fiscal years. The County describes its proposal as a reimbursement formula which reflects differences in POBOR case loads among local law enforcement agencies and differences in the numbers of peace officers employed by those agencies. The reasonable reimbursement methodology is comprised of three components: (1) *Unit Case Costs* are determined by multiplying the number of unit level cases X 12 standard hours X productive hourly rate; (2) *Extended Case Costs* are determined by multiplying number of extended cases X 162 standard hours X productive hourly rate; 3) Uniform Costs are determined by multiplying the number of peace officers X standard rate of \$100. The costs from these three components are then totaled for the annual claim amount.
- The **County of San Bernardino** (05-PGA-20) requests that the parameters and guidelines be amended to allow claimants to file reimbursement claims based on actual costs or the CSAC-SB 90 Group reasonable reimbursement methodology proposal of \$528/peace officer. The County also proposes amendments to (1) update the parameters and guidelines based on the reconsideration; (2) to clarify the descriptions of "Interrogations" and "Adverse Comment" under Section IV. Reimbursable Activities; and (3) to update and clarify Sections V-X to conform with recently adopted language.
- The **Department of Finance** (**DOF**) (05-PGA-22) requests that the parameters and guidelines be amended to include a reasonable reimbursement methodology. Under this methodology, a distinct "base rate" would be calculated for each claimant based on SCO audited amounts for four years of claims. The annual reimbursement would be the result of multiplying the "base rate" by the number of covered officers. The base rates would be adjusted annually by an appropriate factor to capture the normal cost increases. A process for determining *mean* reimbursement rates while final reimbursement rates are determined.
  - The **State Controller's Office (SCO)** (05-PGA-21) requests that the parameters and guidelines amendment previously filed on May 5, 2005 be superseded by their June 29,

2006 filing. The SCO proposes changes to clarify reimbursable activities consistent with the Statement of Decision adopted November 30, 199, and to add the Commission's previously adopted standardized language. The proposed amendments do not include changes reflected in the Commission's Statement of Decision adopted April 26, 2006. However, the proposal includes "time study" language.

### **Timeline**

August 4, 2006	All parties and interested persons are invited to file comments on all proposed parameters and guidelines amendments
August 17, 2006 August 31, 2006	All parties and interested persons are invited to file rebuttal comments. The draft staff analysis will be issued for public comment and review.
October 26, 2006	Commission hearing
If you have any questions regarding this matter, please contact me at (916) 323-8210.	
Dated: July 12, 2006	
	PAULA HIGASHI, Executive Director